

# Service Enhancements Newsletter

FALL 2008



## Service Enhancements to Your Legislators' Defined Contribution Plan Coming in 2009!

As you know, we are making service enhancements to your Legislators' Defined Contribution (DC) Plan beginning in January 2009. We are improving your account management tools by launching a new plan Web site and adding a new customer service phone number.

In addition, we are making other changes to streamline account administration and improve the customer service center. These changes also include a change in the plan's recordkeeper.

### How You Will Be Affected

As we enhance your account management tools and resources, there will be a period of time when you will not have access to account functionality to conduct transactions and access account information:

- After Dec. 31, 2008, Great West cannot receive paper forms to process the following transactions:
  - Transfer or reallocate funds
  - Make new investment elections
  - Request loans, withdrawals or distributions (including rollovers)
  - Change your beneficiary designation
  - Change your personal information (such as your address on file)
  - Certify a disability

If you file *completed* paperwork with Great West by 4 p.m. EST on Dec. 31, 2008, your transactions will be carried out by Great West.

- From Jan. 6, 2009, at 4 p.m. EST through 8 a.m. EST on Jan. 12, 2009, you will not be able to:
  - Transfer or reallocate funds
  - Make new investment elections
  - Request loans, withdrawals or distributions (including rollovers)
  - Change your beneficiary designation
  - Change your personal information (such as your address on file)
  - Certify a disability

This time period, from Jan. 6, 2009, at 4 p.m. EST through 8 a.m. EST on Jan. 12, 2009, during which you will be unable to exercise these rights otherwise available under the plan, is called a blackout period. This blackout period is necessary as we transition to improve your account management tools. (Remember, you will be able to review your account information through the existing Web site, [www.perfldc.com](http://www.perfldc.com), or you can call the customer service phone number, (800) 701-8255, through 4 p.m. EST on Jan. 8, 2009.)

You will access your account through PERF's new Web site, [www.benefitsweb.com/perf.html](http://www.benefitsweb.com/perf.html), and customer service phone number, (888) 526-1687 beginning at 8 a.m. EST on Jan. 12, 2009.

We encourage you to carefully consider how this blackout period may affect your retirement planning as well as your overall financial plan, whether you are planning to retire now or in the near future.

During the blackout period, you will be unable to direct or diversify the assets held in your plan account. For this reason, it is important that you review and consider the appropriateness of your current investments in light of your inability to direct or diversify those investments during the blackout period. For your long-term retirement security, you should give careful consideration to the importance of a well-balanced and diversified investment portfolio, taking into account all your assets, income and investments.

### What Is Diversification?

Diversification is simply allocating your assets among different types of investments — stocks, bonds and cash. The goal of diversification is to reduce the risk and volatility in your investments. By diversifying, investment risk may be limited because not all asset classes, industries or individual companies move up and down in value at the same time or at the same rate. When you rely on the performance of just one investment or a small number of investments, you can suffer substantial losses if one investment does poorly. Diversification of your plan assets may help reduce this risk.

The first step in diversifying your portfolio is to consider the different asset classes — stocks, bonds and cash/stable value investments. Your Legislators' DC Plan provides you with six investment options to help you build a portfolio that suits your needs. Next, you will need to determine the appropriate investment of assets from the available investment options. How you determine which mix of assets to invest in is a personal decision. The asset allocation that works best for you depends on the number of years you will be able to contribute to the plan and your ability to tolerate risk.

## REGISTER FOR ACCOUNT UPDATE E-MAILS

We encourage you to sign up for plan updates by e-mail.

To sign up for electronic updates, please send your name and e-mail address to [publications@perf.in.gov](mailto:publications@perf.in.gov) or visit the Legislators' Retirement System page on PERF's Web site: [www.perf.in.gov](http://www.perf.in.gov).

E-mail updates will be sent *in addition* to any communication mailed to your home address on file.

## Web Site Enhancements

Your redesigned Web site will continue to offer many features you've come to expect, such as daily account values and transaction capabilities. In addition, it will offer:

- Paperless processes for final distributions, withdrawals and loans,
- Information on plan guidelines and provisions,
- The ability to update your plan beneficiary(ies),
- User-friendly information on your plan investments, such as a pie chart illustration of your asset allocation, and
- Benchmark information for comparing fund performance.

We will send your passcode to your address on file the week of Jan. 5, 2009. When you access the new Web site, [www.benefitsweb.com/perf.html](http://www.benefitsweb.com/perf.html), for the first time on or after Jan. 12, 2009, you will log in with your new user ID and passcode. The first time you log in, your user ID will be your Social Security number. When you log in to the new Web site, you will be prompted to create a different user ID and passcode.

## New Loan Provisions

A number of changes regarding how plan loans are administered are included in the service enhancements.

### Monthly Invoices Mailed for Loan Payments

Beginning in January 2009, we will mail an invoice to individuals with outstanding loans. Coupon books will no longer be used to submit loan payments.

Loan invoices will detail the loan payment amount due, any past due loan payments owed, the current loan balance and the next loan payment due date.

Loan payments will be due on the first of each month. Loan invoices will be mailed to addresses on file about a month before payments are due. For example, February loan invoices will be mailed the week of Feb. 2, 2009, and payments will be due on March 1, 2009.

### Paperless Loan Application Process

In 2009, we will introduce a paperless loan process. You will be able to request a plan loan through the Web site or customer service center. Loan requests received before 4 p.m. EST will be processed the same day. Loan requests received after 4 p.m. EST will be processed the following business day when the New York Stock Exchange is open for trading.

Once processed, a loan check and loan paperwork will be mailed to the address on file within three business days. The loan paperwork will include the Truth-in-Lending Disclosure statement and the Promissory Note. Endorsing the check and depositing the loan proceeds will constitute that you have agreed to the terms of the loan.

**IMPORTANT!** Please make the decision to take out a plan loan carefully. When you have a financial need, your Legislators' DC Plan account balance can be a tempting target. Keep in mind, taking a loan from the plan — for any purpose — has its drawbacks.

Loans reduce the amount of money you have in your account and limit the growth of your retirement savings. Even though you pay your account back, you'll miss out on some earnings if your loan's interest rate is lower than the growth rate you could have achieved by keeping your money in the plan.

### QUESTIONS ABOUT YOUR PLAN LOAN(S)?

If you have questions about your outstanding plan loan, please contact (888) 526-1687.



# Service Enhancements Timeline

Please review the following calendar of key events carefully. Pay special attention to transaction deadlines so you can plan for any account changes you may want to make.

By Dec. 31, 2008 at 4 p.m. EST	<p>Deadline for Great West to <b>receive completed paper forms</b> to process the following transactions:</p> <ul style="list-style-type: none"> <li>• Transfer or reallocate funds</li> <li>• Make new investment elections</li> <li>• Request loans, withdrawals or distributions (including rollovers)</li> <li>• Change your beneficiary designation</li> <li>• Change your personal information (such as your address on file)</li> <li>• Certify a disability</li> </ul> <p>If you file <i>completed</i> paperwork with Great West by 4 p.m. EST on Dec. 31, 2008, your transactions will be carried out by Great West.</p>
By Jan. 2, 2009 at 4 p.m. EST	<p>Deadline for Great West to <b>receive your December loan payment</b> to allocate it to your account without delay. If Great West does not receive your payment by Jan. 2, 2009, at 4 p.m. EST, your payment will be returned to you. If this occurs, you will need to re-submit your December payment.</p>
By Jan. 6, 2009 at 4 p.m. EST	<p>Deadline to use the existing Great West Web site, <a href="http://www.perfldc.com">www.perfldc.com</a>, or customer service center, (800) 701-8255, to:</p> <ul style="list-style-type: none"> <li>• Transfer or reallocate funds</li> <li>• Make new investment elections</li> </ul> <p>After the market closes at 4 p.m. EST on Jan. 6, 2009, Great West will record your account information, such as your balances by investment fund. Then, all your account information will be transitioned to the systems that support the enhanced Web site and customer service phone number.</p>
Jan. 7, 2009 through Jan. 11, 2009	<p>During this time period, your account will continue to receive contributions and the money in your account will remain invested in the investment options on file as of Jan. 6, 2009, at 4 p.m. EST.</p> <p>During this time period, you will not be able to conduct the following transactions:</p> <ul style="list-style-type: none"> <li>• Transfer or reallocate funds</li> <li>• Make new investment elections</li> <li>• Request loans, withdrawals or distributions (including rollovers)</li> <li>• Change your beneficiary designation</li> <li>• Change your personal information (such as your address on file)</li> <li>• Certify a disability</li> </ul> <p>However, you will be able to review your account information through the existing Great West Web site and customer service phone number through 4 p.m. EST on Jan. 8, 2009.</p>
Week of Jan. 5, 2009	<p>We will mail your passcode for accessing the new Web site to your address on file. You will need this passcode to log in to the new Web site on or after Jan. 12, 2009.</p>
Jan. 12, 2009 at 8 a.m. EST	<p>Full account access resumes through the:</p> <ul style="list-style-type: none"> <li>• New Web site: <a href="http://www.benefitsweb.com/perf.html">www.benefitsweb.com/perf.html</a> Log in with your user ID and passcode. Your user ID will be your Social Security number. We will send your passcode to your address on file the week of Jan. 5, 2009. When you first log in to the new Web site, you will be prompted to create a different user ID and passcode.</li> <li>• New customer service phone number: (888) 526-1687 Customer Service Representatives will be available from 8 a.m. EST until 8 p.m. EST, Monday through Friday (except on holidays).</li> </ul>
Mid-Jan. 2009	<p>You will receive a transition confirmation statement showing investment elections and your account balance.</p>
Mid-April, 2009	<p>You will receive two statements:</p> <ul style="list-style-type: none"> <li>• One for account activity from Jan. 1, 2009, through Jan. 8, 2009, from Great West.</li> <li>• You will receive a quarterly statement from the Public Employees' Retirement Fund for account activity from Jan. 9, 2009, through March 31, 2009. The quarterly statement will be redesigned to better serve you.</li> </ul>

# Just the Facts:

## Service Enhancements to Your Legislators' DC Plan

- Customer service enhancements are coming in January 2009.
- The transition will require a short period when you will not be able to conduct transactions.

### DATES TO REMEMBER

- Dec. 31, 2008: Deadline for submitting forms to Great West.
- Jan. 2, 2009, at 4 p.m. EST: Deadline for December loan payments to be received by Great West.
- Jan. 6, 2009, at 4 p.m. EST – 8 a.m. EST on Jan. 12, 2009: You will not be able to conduct transactions.
- Jan. 12, 2009, at 8 a.m. EST: You may access your account through a new website and customer service center phone number.
- Please read this newsletter for important details and save it for future reference.

### Account Contact Information

With these enhancements, your account contact information will change. This table shows where to access account information or direct questions:

	Before 4 p.m. EST on Jan. 6, 2009	After 8 a.m. EST on Jan. 12, 2009
Web site	<a href="http://www.perfldc.com">www.perfldc.com</a>	<a href="http://www.benefitsweb.com/perf.html">www.benefitsweb.com/perf.html</a>
Customer service center phone number	(800) 701-8255	(888) 526-1687
Mailing address	Great West Retirement Services P.O. Box 173764 Denver, CO 80217-3764	Public Employees' Retirement Fund P.O. Box 1070 Anderson, IN 46015